

NEW NYC FUEL OIL REGULATIONS FOR 2012

By Doug Weinstein, NYARM, Director of Operations

The upcoming year will bring significant changes to those buildings that utilize fossil fuel oil to fire their heating plants. If your building uses #2, #4 or #6 oil, these regulations will affect your property.

These changes are part of New York City's recently announced PLaNYC initiative that strives for the city to achieve "the cleanest air of any big city in America" and "reduce Green House Gas emissions by 30%".

Those buildings currently using #6 fuel oil in their heating plants will have to discontinue its use between July 2012 and July 2015 under NYC DEP Chapter 2 Title 15 Amendment. The actual date for your building will be determined by the expiration date of your Certificate of Operation. Starting in July of 2012 any #6 oil registration will not be renewed. This will mean that the heating plant must be adapted to use #2, #4 oil, or natural gas as its primary fuel source.

Depending on the type of equipment that your building has, the work required to convert to #2 or #4 oil is relatively minor. Certain components, such as pre-heaters and side arm heaters, must be disconnected and removed. Slight adjustments may need to be made to the burner. All of this work must be filed with the NYC Department of Buildings under an LLA plumbing permit.

In addition, the conversion will necessitate separate NYS DEP Petroleum Bulk storage requirements that #6 oil storage was exempt from. Depending on the type of oil tank, these may include periodic tightness testing as well as monthly visual inspections. The AKAM Operations Department also recommends that the tank be pumped out of the old product, cleaned and inspected prior to the first drop of your new fuel grade.

Buildings that wish to explore switching to natural gas should consult with their AKAM management executive to ascertain whether your current equipment can be used. In addition, we advise you to start the process well in advance of your expiration date as the conversion process can be quite lengthy when dealing with Con Edison.

Another new requirement commences in October of 2012 and requires any building that burns fuel oil to use a bio fuel blend. Currently there are two popular grades of bio fuel: B-2 and B-5. The number represents the percentage of bio fuel, 2% or 5%, as part of the fuel oil product. We have already started a number of buildings on this and have found there is little adjustment or cost associated with the injection of the bio fuel into the heating plant. Current market conditions indicate there is a price differential of \$.02/gallon for B-2 and \$.05/gallon for B-5. The increased